

December 15, 2008

Texas Commission on Environmental Quality
PO Box 13087
Austin, TX 78711-3087

Proposed Rule:

Implement a Scrap Tire Fund that would help develop a program for financial assistance to storage facilities, processors, transporters and generators in a manner that would enable these people to provide a service that benefits the environment and all residents in the State of Texas.

Statement:

The strict and stringent laws and regulations established and enforced by the TCEQ make it very difficult for storage facilities, processors, transporters and generators in North Texas specifically, to survive with no financial assistance from the state. I acknowledge and appreciate these regulations and do everything in my power to comply. For VITI, financially it is almost impossible to attain compliance in today's market. Most states in Region VI have a program in place for financial support. Since the scrap tire program in Texas ended in 1997 it has been difficult for everyone trying to run a legitimate business succeed.

VITI is the largest facility in North Texas that holds all permits required by the TCEQ Scrap Tire Program. This includes being the only storage facility. As a storage facility we incur many expenses that others don't. For instance, we have road maintenance, vector control, mosquito treatment, pond treatment etc. We are now taking in a large volume of tires monthly since reopening in August of this year. I am doing everything I can not to shred these tires and put them in a landfill. The little amount of money we make in tipping fees does not cover our expenses if that is our only option of disposal. Knowing that each tire has the capability of being used as alternative energy and making sure that happens should be a top priority for everyone involved in this industry. There is no reason why TCEQ couldn't put more efforts in making this a reality. With financial assistance companies would have more opportunities to provide tires to a wider range of customers for use as alternative energy.

There are a few ways for us to achieve this on our own but none of them are cost effective. The closest LRPOT is in Ft. Worth and with transportation expenses it is not a viable option for us. Although there are three cement plants in Midlothian that are close, the market for us to dispose of tire's as alternative energy is not very high. Two of them utilize whole passenger tires in their kilns. Holcim in Midlothian only uses chips but their Ada, Oklahoma plant supplies them because Oklahoma pays to dispose of tires. Even with the opportunity to supplement storage of whole tires to their Ada plant for the winter; I can't compete with a state that pays to dispose of tires. With Holcim burning chips and not utilizing Texas tire's that leaves a larger surplus of tires to dispose of. This also leaves little or no market for us to produce and sell TDF in North Texas.

The other two kilns in North Texas can only utilize whole tires for alternative energy. Both of them only accept passenger tire's which are in abundance in North Texas. Texas also generates more truck tires than any other state. VITI accepts truck tires even though they are difficult for us to process. Our immediate need is to find an alternative means of disposing of them. I have also been talking with representatives from other companies out of state to supply tires for alternative energy. Although many are interested, again we are incurring a loss when you include transportation expenses.

When reviewing our options of producing crumb rubber in Texas, it is apparent that there is no market demand for it at this time, especially in North Texas. The last I heard only two companies in the state are producing crumb rubber. According to the Rubber Manufacturers Association's 2005 report, there are many factors that have caused the dramatic decrease in the use of crumb rubber. The main factor is the cost of the product and the maintenance of it. Also, lack of long term testing has limited the use. And there are only a few companies in the state that have been able to sustain the decrease in the production of crumb. The demand is also geographical and Texas does not have the consumption demand that other Northwest and Northeastern states have.

In closing, after looking at all of our options to dispose of tires in an environmentally sound and profitable manner, it is hard for us to see any sustained growth without financial assistance from the state. With support we would be able to afford the transportation expenses to dispose of tires either whole or in chips for use as alternative energy. This support would trickle down from us to the transporters and the generators which could help support these small businesses in an economy as poor as ours is today. Assistance from the state would also help make an enormous difference in the amount of tires that are being put in a landfill. Everyone knows this is the worst scenario for the current and future state of our environment.

I am asking that you please take into consideration the statement I have made today and take action as soon as possible to help implement new rules that will offer financial assistance in the Scrap Tire program for Texas.

Thank You,

Cathy Maynard
Office Manager
Vista International Technologies, Inc.
1323 E. Fulghum Rd.
Hutchins, TX 75141
Ph: 972-225-1044
Fax: 972-225-1022
Cathy_viti@ymail.com